Twenty-Sixth Annual Report

April 1, 1988 to March 31, 1989

Alberta
RACING COMMISSION

Alberta
SOLICITOR GENERAL

Office of the Solicitor General

319 Legislature Building, Edmonton, Alberta, Canada T5K 2B6 403/427-2468

91-04610/

The Honourable David Carter
Office of the Speaker
Legislative Assembly of Alberta

Sir:

I have the honor to submit the Annual Report of the Alberta Racing Commission for the year ending March 31, 1989.

Respectfully submitted,

R.S. (DICK) Fowler Q.C.
Solicitor General

Alberta

ALBERTA RACING COMMISSION

403/297-6551

507 Sloane Square
5920 - 1A Street S.W.
Calgary, Alberta, Canada

Office of
the Chairman

Mailing Address:
Box 5684
Postal Station "A"
Calgary, Alberta
T2H 1Y2

The Honourable Richard Fowler,
Solicitor General

Dear Sir:

I take pleasure in submitting the Commission's Annual Report for the year 1988 - 1989.

Respectfully submitted,

Roy A. Farran

Roy A. Farran,
Chairman

MEMBERS

OF THE

ALBERTA RACING COMMISSION

At the year ended March 31, 1989

Roy A. Farran	Chairman	Calgary
Donald J. Buchanan	Vice Chairman	Edmonton
Irven W. Parsons	Commissioner	Calgary
Kenneth C. Amthor	Commissioner	Crossfield
W. Gordon Pritchett	Commissioner	Edmonton
Jack Sheckter	Commissioner	Edmonton
Dr. Brad Gunn	Commissioner	Lloydminster

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TWENTY-SIXTH ANNUAL REPORT

OF

THE ALBERTA RACING COMMISSION

APRIL 1, 1988 - MARCH 31, 1989

There was good reason to believe that the decline in betting on horse-racing in Alberta which had followed economic recessionary trends in the eighties had been reversed during 1988.

The total pari-mutuel bet in the province improved from $179,405,274 in the calendar year 1987 to $182,367,705 in 1988. These extra earnings resulted in slightly higher basic purses although the Alberta Racing Commission rebate, which was calculated as 4 percent of the provincial bet in 1985, was subject to a further retrenchment cut of 3 percent in 1988. Retrenchment cuts had been applied by the Provincial Treasurer on the declining balance since 1985 as 5 percent in 1986, 3 percent in 1987 and 3 percent in 1988. Representations were made by the Commission at year-end for recognition of better earnings by the racing industry by recalculating the base rebate as 4 percent of the total wager for the year before. It was agreed by the Provincial Treasurer that the recalculation should be done although the resulting figure would be again subject to a 3 percent retrenchment cut in 1989.

The recovery in pari-mutuel volume was mainly due to improved figures at the Edmonton Northlands summer thoroughbred meet, reflecting the stronger economy in Edmonton. Flat running racing in Alberta yielded a gross wager of $91,835,346 compared with $90,532,367 for harness racing.

There was further evidence of a shortage of both riders and horses at the minor meets. Conferences with the industry resulted in the opinion that the shortage of horses was due to a decline in the number of racing quarterhorses, perhaps arising from the emphasis by that breed on expensive stakes for younger as opposed to older horses. The Commission therefore agreed to offer special incentives for older quarterhorses in 1989. The Commission also agreed with the Horsemen's Benevolent and Protective Association to assist potential jockeys to attend the Hawkeye Jockey School in the United States, there having been no further news of a tentative project for a jockeys' school at the Olds College.

Total turnover at Lethbridge Whoop-Up Downs decreased from $2,162,555 in 1987 to $1,875,879 in 1988 due to 6 fewer racing days, although daily averages were almost the same for both years.

Increasing popularity of flat racing at Trout Springs near Calgary was evidenced by a handle of $1,052,824 over 18 days. This private track, which has been hampered by capital underfunding, gathered strength despite many deficiencies and an uncompleted facility. It demonstrates a demand for summer running races during the harness meet at Stampede Park and particularly when racing closes down in Calgary during the Stampede.

A similar demand was evidenced at the Enoch Racetrack near Winterburn outside Edmonton where $640,520 was wagered over 13 days compared with $454,397 in 1987. Enoch also raced 6 harness dates handling $270,515. The 17 day meet at Grande Prairie in an excellent facility continues to be one of the strongest rural race meets in Alberta. The 1988 volume was $371,673 compared with $392,276 the year before.

Smaller meets were held in conjunction with rural fairs at Coronation, Medicine Hat, Millarville, Milo, Red Deer, Trochu, Vegreville and Hobbema for a total wager of $432,595. The Commission has supported the servicing of these small race meets with a portable pari-mutuel trailer and operating grants. Earlier in the decade as many as 13 of these small tracks operated race meets of two or three days. Horse enthusiasts, mainly owners of quarterhorses and thoroughbreds, moved their horses from place to place, following the circuit. There are indications that Canada West Turf, their parent organization, has problems of declining membership as more and more horsemen choose to concentrate their efforts at larger tracks like Lethbridge, Trout Springs, Grande Prairie and Enoch, closer to their homes. A growing reluctance to travel may also reflect economic pressures on the farm. On the brighter side, the decline in numbers of racing quarterhorses has been offset to some extent by the mushroom growth of racing arabians. There is also at long last, a small breakthrough in the development of a minor circuit for harness racing and standardbreds have, racing at mixed meets, alleviated the shortage of horses. The Commission continued to address the problem of maintaining a viable minor circuit.

Meetings of the Commission were held monthly and when necessary to hear appeals from decisions of the stewards or harness judges. Delegates attended the annual meeting of provincial commissions at Charlottetown, P.E.I. and meetings of the Association of Racing Commissioners (International) at Louisville, Kentucky and Saratoga Springs, New York. A total of 8 appeals were heard. Public hearings were held on the subjects of racing dates, disbursal of the Development Fund and the medicating of race horses with steroids.

To counter the problem of abuse of synthetic cortico-steroids in race horses, the Alberta Racing Commission proceeded to ban the practice in the province. All urine testing and analysis was done at Commission expense. The federal Department of Agriculture had been reluctant to add steroids to the prohibited drug list in the absence of consensus among provinces or within its own Drug Advisory Committee.

The Alberta Racing Commission was then taken to court by the Horsemen's Benevolent & Protective Association (H.B.P.A.) on the grounds that it had exceeded its authority by infringing upon federal jurisdiction.

The H.B.P.A. was first denied an application for a stay in the urine testing and then succeeded in its action in the provincial court. However, the Commission, taking comfort from certain remarks in the court decision, issued a revised directive which allowed steroids at manufacturer's recommended dose up to 24 hours before a race. The H.B.P.A. legal action was renewed against this second directive, but the Commission succeeded on all counts in a comprehensive judgment. That decision now awaits judgment on appeal to the Alberta Court of Appeal. In the interim, the Chief Justice denied a stay and the limited prohibition on steroids continues. Meanwhile, the federal government which had made a grant of $30,000 towards the legal costs of the H.B.P.A., has announced a proposal to ban steroids effective March, 1990.

The Commission, before the end of the fiscal year in March, 1989, had also become concerned at the growing practice of tubing horses with baking soda prior to a race. It consulted the Alberta Veterinary Medical Association in regard to possible action to prevent abuse of both steroids and baking soda.

The following disciplinary rulings were made by the stewards and judges:

THOROUGHBRED:

Jockeys, apprentice extensions	1
Jockeys, for riding infractions	41
Jockeys, for actions other than riding infractions	52
Jockeys & Trainers, for unwarranted claim of foul	4
Licenses Restored	4
Trainers, for entering an ineligible horse	4
Trainers, for medications requiring late scratch	5
Disciplinary fines for persons other than jockeys	42

Disciplinary suspensions for persons other than jockeys	4
Licenses denied or cancelled	3
Horses barred from competition	1
Positive tests	3

STANDARDBRED:

Poor driving, impeding or interfering with the progress of other horses or drivers in a race	38
Mistreatment of horses	8
Late scratches	3
Late to paddock or post parade	8
Positive tests	4
Failing breathalyzer test	4
Disciplinary fines - miscellaneous	53

Urine and blood samples were taken from 8,714 horses of which only seven tested positive for a prohibited drug.

The top 10 money earners among Alberta-bred thoroughbreds were as follows:

Squire Nix	$ 85,666.
Manalta	77,375.
Shady Lass	77,278.
Roses For Classy	69,300.
Racaholic	67,390.
Bushwoolie	59,135.
Mandalero	52,685.
First Strike	43,162.
Chilcoton Blaze	41,200.
Special Intent	38,665.

The champion 3 year old colt was a Kentucky-bred called ELMTEX who won the Canadian Derby at Northlands Park, but ran second to GALLOWAY PLAINS from Ontario in the Alberta Derby at

Stampede Park. ELMTEX also took honors and the Alberta Racing Commission trophy for "Horse of the Year, 1988". FIRST STRIKE was the Champion Sprinter and best Alberta-bred. Dale Saunders was leading trainer for 1988 and the leading jockey was Perry Winters. The leading apprentice rider was Hugh Huston and Alan Dand received the award of "Breeder of the Year". The Alberta Premier's Futurity was won by MANDALERO.

The top 10 thoroughbred breeders were as follows according to earnings of horses bred:

A. Dand	$ 177,647.
A. Noren	154,154.
J. C. Stables & Partners	147,523.
Roman Acres Stables	142,698.
Elmbrook Farms	138,851.
J. P. Shewchuk	125,487.
Kolfam Farms	113,449.
John Paulson	96,257.
R. & D. Petryk	88,293.
J. Johnson	86,865.

The Alberta Racing Commission, in addition to breeder bonuses on a points system, paid purse supplements of $500 for first, $250 for second and $125 for third for any Alberta-bred winning in open races at class "A" tracks. This applied to both thoroughbred and harness.

From the quarterhorse industry, the leading performers were: 2 year-old HHH LUCKY TARZAN, 3 year-old THREE LITTLE INDIANS who also earned the champion horse title, and aged horse WRANGLERS REED. Trainer of the year was William Leech. Leading rider was Jim Roebuck who repeated his 1987 winning ways.

In harness racing, the following awards were made:

Horseman of the year	Clark Beelby
Groom of the year	Jean Goulet
Breeder of the year	Nealies Stable

Horse of the Year] Best Alberta Bred] Best Aged Horse]	E JAY BULLET (Jim Rogers, Acme)
Best Aged Mare	TARPORT MYRTLE
Best Out-of-Province	MATTS SCOOTER Winner of the Nat Christie Memorial
Claimer of the Year	NILAS SKIPPER

The top money earners in standardbred racing at Alberta tracks during 1988 were:

E Jay Bullet	$ 235,325.	- Stewart Fraser Winner
*Sky Force	134,339.	
*Leader One	95,743.	
Riviera Hanover	94,653.	
*Fast and Furious	78,481.	
Andy's Popeye	76,947.	
Suncatcher	72,718.	
Chateau	66,178.	
*Hang Ten	65,292.	
*Olivers Treasure	57,755.	

*Horses that earned money in Alberta Sires Stakes

The Nat Christie Memorial was won by MATTS SCOOTER and the Stewart Fraser Memorial Stakes was won by E JAY BULLET.

Each year, the Alberta Racing Commission allocates money available from rebate of the pari-mutuel tax according to the percentage generated by each major breed. After deducting support for the minor circuit, which in effect recovers more than it actually pays in tax, the balance is distributed through purse supplements, special purses for races restricted to Alberta-breds, bonuses for winning Alberta-breds, stakes for Alberta-breds and breeder awards. Details are in the attached statements.

The policy, apart from general promotion of the racing industry, is to encourage the raising of bloodstock as an adjunct to and diversification of the agricultural industry. A total of 6,013 licences were issued to permit employment in the racing industry in Alberta. At least as many again were employed on stud farms, by horse shippers, as veterinarians, farriers, feed suppliers, tack merchants, etc. off-track and as staff by the exhibitions. Horse racing is therefore most labor intensive.

In its disciplinary role, the Alberta Racing Commission passed the following directives under the Racing Commission Act:

(a) a requirement to appoint patrol judges where approved film coverage is not available.

(b) the banning of synthetic cortico-steroids and the maintenance of veterinary records

(c) permitting a lottery for a car at Edmonton Northlands during a race meet.

(d) raising the level at which stewards and harness judges may fine to $4,000.

(e) regarding preference for also eligible horses drawn into a harness race.

(f) regarding work-outs required to qualify thoroughbreds for racing

(g) requiring proof of medical insurance for jockeys before licensing.

The Alberta Racing Commission heard 8 appeals from decisions of the stewards. A total of 6 were dismissed, 2 were partly successful.

The average price paid for thoroughbred yearlings at the 1988 sale was $6774. compared with $5260. in 1987 and for standardbreds was $5490. compared with $5861. the year before.

Alberta-breds won approximately 48 percent of all thoroughbred races and 43 percent of standardbred races excluding races written for Alberta-breds in 1988.

The Commission continued its policy of random testing the urine of backstretch employees in both breeds. It also required breathalyser tests of both drivers and jockeys before racing. The approach has been towards rehabilitation rather than punishment. Jockeys and drivers who test positive for drug abuse are suspended for a first offence until a negative sample is obtained, suspended on a second offence until they have enrolled in a drug abuse

counselling program and suspended on a third offence until they have satisfactorily completed a residential treatment program. Names are kept confidential until the third offence. In 1988, only one third offence occurred which was in regard to cocaine. The Commission believes the policy is succeeding since instances of abuse have dropped dramatically.

During the year, the Hon. Dick Fowler, was appointed Solicitor General, the Minister of the Crown to whom the Racing Commission reports.

Respectfully submitted,
dated at the City of Calgary
26 October, A. D. 1989

Chairman

Vice Chairman
DONALD J. BUCHANAN

Commissioner

Commissioner

Commissioner

Commissioner

Commissioner

Schedule "A"

PARI MUTUEL STATISTICS

THOROUGHBRED RACING 1987 - 1988

	Racing Days		No. of Races		Attendance	
	1988	1987	1988	1987	1988	1987
CALGARY	71	70	710	700	246,997	236,862
EDMONTON	75	78	750	779	339,902.	349,871
LETHBRIDGE	31	37	280	328	43,097	60,794
	177	185	1,740	1,807	629,996	647,527

	Amount Wagered		Pari Mutuel Percentages & Breaks	
	1988	1987	1988	1987
CALGARY	$ 37,323,496.	35,006,152.	$ 4,268,504.	$ 3,952,942.
EDMONTON	50,138,359.	48,997,778.	5,690,505.	5,549,734.
LETHBRIDGE	1,875,879.	2,162,555.	294,296.	343,465.
	$ 89,337,734.	$ 86,166,485.	$ 10,253,305.	$ 9,846,141.

	Alberta Government Tax		Gross Prize Money	
	1988	1987	1988	1987
CALGARY	$ 1,866,175.	$ 1,750,308.	$ 3,324,088.	$ 3,359,850.
EDMONTON	2,506,918.	2,449,889.	3,657,814.	3,947,390.
LETHBRIDGE	93,794.	108,128.	269,521.	297,883.
	$ 4,466,887.	$ 4,308,325.	$ 7,251,423.	$ 7,605,123.

Schedule "B"

PARI MUTUEL STATISTICS

HARNESS RACING 1987 - 1988

	Racing Days		No. of Races		Attendance	
	1988	1987	1988	1987	1988	1987
CALGARY	104	111	1,040	1,115	243,958	258,549
EDMONTON	98	95	977	960	303,680	306,313
	202	206	2,017	2,075	547,638	564,862

	Amount Wagered		Pari Mutuel Percentages & Breaks	
	1988	1987	1988	1987
CALGARY	$ 37,963,389.	$ 42,217,269.	$ 4,421,651.	$ 4,855,524.
EDMONTON	$ 52,298,455.	$ 48,716,324.	$ 6,016,908.	$ 5,521,221.
	$ 90,261,844.	$ 90,933,593.	$ 10,438,559.	$ 10,376,745.

	Alberta Government Tax		Gross Prize Money	
	1988	1987	1988	1987
CALGARY	$ 1,898,169.	$ 2,110,863.	$ 3,338,129.	$ 3,869,829.
EDMONTON	$ 2,614,923.	$ 2,435,816.	$ 3,960,981.	$ 3,796,685.
	$ 4,513,092.	$ 4,546,679.	$ 7,299,110.	$ 7,666,514.

PARI MUTUEL STATISTICS

COMMUNITY RACING 1987 - 1988

	Racing Days		No. of Races		Attendance	
	1988	1987	1988	1987	1988	1987
CAMROSE	-	2	-	19	-	1,263
CORONATION	2	3	16	24	891	1,682
ENOCH	19	16	174	143	9,898	6,128
GRANDE PRAIRIE	17	17	149	157	6,180	7,256
HIGH RIVER	-	2	-	9	-	400
HOBBEMA	2	-	16	-	215	-
MEDICINE HAT	3	3	24	26	2,075	2,550
MILLARVILLE	2	2	18	16	5,550	6,500
MILO	2	2	16	19	3,000	2,550
RED DEER	5	7	39	59	2,850	2,525
TROCHU	2	2	18	17	1,350	1,000
TROUT SPRINGS	18	23	150	195	10,123	9,410
VEGREVILLE	2	-	16	-	800	-
	74	79	636	684	42,932	41,264

	Amount Wagered		Pari Mutuel Percentages & Breaks	
	1988	1987	1988	1987
CAMROSE	$ -	$ 61,038.	$ -	$ 9,443.
CORONATION	34,029.	43,810.	5,299.	6,945.
ENOCH	911,035.	454,397.	144,868.	70,884.
GRANDE PRAIRIE	371,673.	392,276.	57,889.	61,251.
HIGH RIVER	-	11,158.	-	1,715.
HOBBEMA	17,927.	-	2,754.	-
MEDICINE HAT	81,162.	87,737.	12,543.	13,633.
MILLARVILLE	114,211.	93,490.	17,755.	14,607.
MILO	38,525.	43,075	6,013.	6,726.
RED DEER	81,987.	149,387.	12,736.	23,262.
TROCHU	37,228.	32,766.	5,765.	5,123.
TROUT SPRINGS	1,052,824.	936,062.	165,757.	147,187.
VEGREVILLE	27,526.	-	4,286.	-
	$ 2,768,127.	$ 2,305,196.	$ 435,665.	$ 360,776.

PARI MUTUEL STATISTICS

COMMUNITY RACING 1987 - 1988

	Alberta Government Tax		Gross Prize Money	
	1988	1987	1988	1987
CAMROSE	$ -	$ 3,052.	$ -	$ 14,762.
CORONATION	1,702.	2,191.	10,735.	16,625.
ENOCH	45,552.	22,720.	178,567.	110,122.
GRANDE PRAIRIE	18,584.	19,614.	134,420.	139,099.
HIGH RIVER	-	558.	-	4,950.
HOBBEMA	896.	-	9,560.	-
MEDICINE HAT	4,058.	4,387.	14,695.	16,500.
MILLARVILLE	5,711.	4,675.	16,125.	14,640.
MILO	1,926.	2,154.	10,170.	10,955.
RED DEER	4,099.	7,469.	27,305.	42,340.
TROCHU	1,861.	1,638.	11,725.	10,770.
TROUT SPRINGS	52,641.	46,803.	173,657.	209,535.
VEGREVILLE	1,376.	-	9,280.	-
	$ 138,406.	$ 115,261.	$ 596,239.	$ 590,298.

Schedule "D"

ALBERTA RACING COMMISSION

PARI MUTUEL TAX REFUND 1988

	No. of Races	Pari Mutuel Total	Average Wagering Per Race	Tax Paid	Development Grant
CORONATION	16	$ 34,029.	$ 2,127.	$ 1,702.	$ 1,385.
GRANDE PRAIRIE	150	371,673.	2,478.	18,584.	15,124.
HOBBEMA	16	17,927.	1,120.	896.	730.
MEDICINE HAT	24	81,162.	3,382.	4,058.	3,303.
MILLARVILLE	18	114,211.	6,345.	5,711.	4,647.
MILO	16	38,525.	2,408.	1,926.	1,568.
RED DEER	39	81,987.	2,102.	4,099.	3,336.
TROCHU	18	37,228.	2,068.	1,861.	1,515.
VEGREVILLE	16	27,526.	1,720.	1,376.	1,120.
	313	$ 804,268.	$ 2,569.	$ 40,213.	$ 32,728.
ENOCH	175	$ 911,035.	$ 5,206.	$ 45,552.	$ 40,470.
LETHBRIDGE	281	$ 1,875,879.	$ 6,676.	$ 93,794.	$ 46,531.
TROUT SPRINGS	150	$ 1,052,824.	$ 7,019.	$ 52,641.	$ 40,470.

ALBERTA RACING COMMISSION

DEVELOPMENT FUND FOR THE YEAR ENDED MARCH 31, 1989

EXPENDITURE			
For promotions and general support			$ 5,385.00
For equine research			
Western College of Veterinary Medicine			23,151.00
For Tattooing			
Thoroughbred		$ 12,960.00	
Standardbred		3,015.00	15,975.00
For Community Support			
Operating Grants			
Canada West Turf Association		47,619.00	
Lethbridge & District Exhibition		46,531.00	
Communities		113,668.00	
		207,818.00	
Purse Supplements			
Lethbridge & District Exhibition		67,742.00	
Communities		120,169.00	
		187,911.00	395,729.00
For Development of THOROUGHBRED industry			
Stakes Race Purses			
Wild Rose	6,700.00		
Beaufort	16,280.00		
Parkdale	3,350.00		
Breeders	3,350.00		
Alberta Oaks	8,140.00		
Sturgeon River	11,500.00		
Sales Stake	38,320.00		
Claiming Stakes	4,600.00	92,240.00	
Horsemen's Benevolent & Protective Association		24,367.00	
Alberta Division - Canadian Thoroughbred Horse Society		36,550.00	
Breeders of Alberta-breds		294,675.00	
Owners of Alberta-breds		772,075.00	
General Purse Support		$ 1,606,000.00	$ 2,825,907.00

ALBERTA RACING COMMISSION

DEVELOPMENT FUND FOR THE YEAR ENDED MARCH 31, 1989

For Development of STANDARDBRED industry

Stakes Race Purses			
Sherwood Park	$ 75,560.00		
Harvest Gold	47,320.00		
Poinsettia	81,970.00		
Virginia Park	27,130.00		
Strathcona	70,840.00		
Yellowhead	27,130.00		
Petticoat Pace	47,320.00		
Black Gold	81,970.00		
Gold Pan	81,950.00		
Alberta Rose	43,530.00		
Calgary Lady	41,700.00		
Lt. Governor	43,510.00		
Edmonton Lassie	41,700.00	711,630.00	
Alberta Standardbred Horse Association		66,555.00	
Owners of Alberta-breds		819,125.00	
Breeders of Alberta-breds - earners in the above specified stakes races		51,475.00	
Preferred Races - Fillies and mares		158,734.00	
Preferred Races - Alberta-bred conditioned		158,735.00	
General Purse Support		1,013,040.00	2,979,294.00
the above mentioned categories pertain to horses racing on "A" circuit tracks			
			$ 6,245,441.00

Financial Statements

Alberta
RACING COMMISSION

ALBERTA RACING COMMISSION

FINANCIAL STATEMENTS

MARCH 31, 1989

Auditor's Report

Balance Sheet

Statement of Revenue Surplus

Statement of Revenue and Expenditure - Operations

Statement of Revenue and Expenditure - Development

Notes to the Financial Statements

ALBERTA LEGISLATURE

OFFICE OF THE AUDITOR GENERAL

AUDITOR'S REPORT

To the Members of the
Alberta Racing Commission

I have examined the balance sheet of the Alberta Racing Commission as at March 31, 1989 and the statements of revenue surplus, revenue and expenditure - operations and revenue and expenditure - development for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Commission as at March 31, 1989 and the results of its operations and the changes in its financial position for the year then ended in accordance with the disclosed basis of accounting, considered appropriate in the circumstances, as described in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Donald D. Salmon
FCA
Auditor General

Edmonton, Alberta
July 28, 1989

ALBERTA RACING COMMISSION

BALANCE SHEET

AS AT MARCH 31, 1989

	1989	1988
ASSETS		
Current:		
Cash (Note 3)	$ 526,270	$421,852
Accounts receivable	18,186	2,666
Prepaid expenses	55,584	54,763
	600,040	479,281
Fixed:		
Equipment, at cost	57,516	71,285
	$ 657,556	$550,566
LIABILITIES AND EQUITY		
Current:		
Accounts payable	$ 348,393	$ 13,317
Other:		
Standard-bred Sires Stakes Registration	24,844	26,284
Equity:		
Reserves (Note 4)	345,573	466,405
Capital surplus arising from purchase of fixed assets	57,516	71,285
Revenue surplus (deficit)	(118,770)	(26,725)
	284,319	510,965
	$ 657,556	$550,566

The accompanying notes are part of these financial statements.

ALBERTA RACING COMMISSION

STATEMENT OF REVENUE SURPLUS

FOR THE YEAR ENDED MARCH 31, 1989

	1989	1988
Revenue surplus (deficit) at beginning of year	$ (26,725)	$ 112,036
Deficiency of revenue over expenditure for the year - development	(212,877)	(193,331)
Transfers from reserves (Note 4)	120,832	54,570
Revenue surplus (deficit) at end of year	$(118,770)	$ (26,725)

ALBERTA RACING COMMISSION

STATEMENT OF REVENUE AND EXPENDITURE - OPERATIONS

FOR THE YEAR ENDED MARCH 31, 1989

	1989	1988
Revenue:		
Contribution by the Province of Alberta	$ 700,236	$ 605,476
Assessments, licenses and fines	334,516	346,758
Interest	155,501	157,896
Miscellaneous	723	99
	1,190,976	1,110,229
Expenditure:		
Administrative salaries	279,116	265,866
Veterinarians' fees	188,311	175,254
Judges' fees	141,753	134,716
Commissioners' honoraria	133,618	123,951
Stewards' fees	126,507	128,927
Travelling	104,675	93,398
Employee benefits	57,230	51,878
Hearings and appeals	50,547	33,656
Office	29,433	19,998
Consultant's fee	25,000	25,000
Steroid testing program	14,902	-
Licensee identification equipment and supplies	8,417	25,155
Memberships and subscriptions	7,124	6,350
Security services, equipment and supplies	5,783	3,000
Lunches and entertainment	5,576	5,176
Human toxicology	5,546	9,998
Trophies	1,627	-
Insurance	1,450	1,319
Legal fees	1,377	404
Miscellaneous	2,984	6,183
	1,190,976	1,110,229
	$ -	$ -

ALBERTA RACING COMMISSION

STATEMENT OF REVENUE AND EXPENDITURE - DEVELOPMENT

FOR THE YEAR ENDED MARCH 31, 1989

	1989	1988
Revenue:		
Contribution by the Province of Alberta	$6,032,564	$6,335,524
Expenditure:		
Standard-bred support:		
Grants	66,555	70,500
Breeders of Alberta breds bonus	51,475	54,476
Owners of Alberta breds premium	1,136,594	1,239,340
Purse supplements	1,724,670	1,748,170
	2,979,294	3,112,486
Thoroughbred support:		
Grants	60,917	60,917
Breeders of Alberta breds bonus	294,675	271,449
Owners of Alberta breds premium	772,075	688,875
Purse supplements	1,698,240	1,945,340
	2,825,907	2,966,581
Community support:		
Grants	207,818	204,420
Purse supplement	187,911	204,637
	395,729	409,057
Equine research	23,151	23,151
Tattooing	15,975	17,580
Promotions	2,885	-
Other	2,500	-
	44,511	40,731
	6,245,441	6,528,855
Deficiency of revenue over expenditure	$ (212,877)	$ (193,331)

ALBERTA RACING COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 1989

Note 1 Authority

The Alberta Racing Commission operates under the authority of the Racing Commission Act, Chapter R-1, Revised Statutes of Alberta 1980.

Note 2 Significant Accounting Policies and Reporting Practices

General

These financial statements have been prepared in accordance with generally accepted accounting principles except that no depreciation has been provided on fixed assets as purchases are charged to operations in the year of acquisition. Fixed assets are shown on the balance sheet at original cost with the offsetting credit to capital surplus.

Contributions by the Province of Alberta

The Commission receives contributions from a supply vote of the Department of Solicitor General of the Province of Alberta based on the Alberta pari-mutuel tax. Contributions are allocated firstly to operations and thereafter to development.

Changes in Financial Position

A statement of changes in financial position is not provided as disclosure in these financial statements is considered to be adequate.

Note 3 Cash

Cash includes deposits in the Consolidated Cash Investment Trust Fund of the Province of Alberta as follows:

	1989	1988
Deposit Account - Operations	$226,070	$121,652
Deposit Account - Revenue Stabilization	300,000	300,000

Note 4 Reserves

The balances and transfers pertaining to reserves appropriated from revenue surplus by resolutions of the Members of the Commission are summarized as follows:

	Balance at beginning of year	Transfers to revenue surplus	Balance at end of year
Revenue Stabilization	$300,000	$ -	$300,000
Equine Hospital Equipment	30,975	30,975	-
Thoroughbred support	31,500	25,529	5,971
Harness support	60,930	60,930	-
Community support	43,000	3,398	39,602
	$466,405	$120,832	$345,573
1988 comparative figures	$520,975	$ 54,570	$466,405

Note 5 Administration Expenses

Operations expenditure does not include the cost of certain office accommodation and office furniture which is borne by the Province of Alberta.

Note 6 Comparative Figures

The 1988 comparative figures have been reclassified where necessary to conform to 1989 presentation.

Note 7 Approval of Financial Statements

These financial statements were approved by management